



IT Procurement: Contingent Labor Services via Staff Augmentation

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- I. **Purpose.** This document covers policies and procedures for procuring information technology (IT) contingent labor staff augmentation services. All executive branch agencies and non-exempt institutions of higher education are subject to these policies and procedures, except those agencies and institutions explicitly exempted by the *Code of Virginia*. The purpose of these IT contingent labor staff augmentation policies include:
- providing a common acquisition process for agencies to obtain IT staff augmentation through a managed service provider program,
 - protecting Commonwealth users from entering co-employment service relationships, and
 - providing improved and standardized IT job descriptions and bill rates to reduce costs to the Commonwealth.

Policies- What you need to do

II. **General**

§ 2.2-2010 of the *Code of Virginia* requires the Virginia Information Technology Agencies (VITA) to: "Develop and adopt policies, standards, and guidelines for the procurement of information technology and telecommunications goods and services

of every description for state agencies.” As directed by § 2.2-2012 of the *Code of Virginia* VITA has established a “Mandatory Use” contract for the procurement of IT-related contingent labor for use by all executive branch agencies and institutions of higher education that are not exempt from, but subject to, VITA’s IT procurement authority. Executive branch agencies and non-exempt institutions do not have authority to sponsor, conduct or administer an IT contingent labor procurement arrangement unless such authority is delegated by VITA. Authorized users for this contract include all public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the *Code of Virginia*.

III. **IT contingent labor tenure policy**

- This policy is effective July 1, 2010 for incumbent & new contractors. The tenure clock begins on this date for incumbent contractors.
- The original term of an assignment is no more than 12 months.
- After 12 months, an extension for an additional 6 months may be requested from the CIO.
- After 18 months, an additional 6 months may be requested and must be approved by the Secretary of Technology.
- Any extension beyond 24 months requires Chief of Staff approval.
- Break in service:
 - The required hiatus after 12 consecutive months of service is 30 days.
 - The required hiatus after 18 consecutive months of service is 60 days.
 - The required hiatus after 24 consecutive months of service is 100 days.

IV. **IT contingent labor requisition approval policy**

Requisition approval is in accordance with the agency approval process.

V. **IT contingent labor rate increase policy**

Rates are based on contractual rate card and no individual increases are allowed.

VI. **Expense reimbursement policy**

DOA guidelines must be followed for all expense reimbursements and must receive prior authorization by the agency.

VII. **Independent contractor policy**

Any independent contractor utilized on an assignment with the Commonwealth of Virginia must have their 1099 status confirmed by the managed service provider (MSP). Approval must be granted prior to the start of the assignment.

VIII. **IT contingent labor rehire of former full time employee (FTE) policy**

- Former employees are eligible for engagement as a staff augmentation contractor after they have left state employment for a minimum of 30 days.
- The MSP verifies with the Department of Human Resource Management (DHRM) if the former employee is eligible for return.

IX. **IT contingent labor supplier evaluation policy**

- Using agencies are required to provide feedback on the program and customer satisfaction to MSP

Procedures- How you implement the policies

X. Requisition Submission

- All new requisitions are created by an agency Requestor (Hiring Manager or Procurement Officer) in eVA and completed in ZC Web.
- Only one job title is allowed on each requisition.

XI. Supplier Distribution

- New requisitions are submitted to suppliers enrolled in the ZeroChaos supplier network.

XII. Candidate Review & Selection

- The ZeroChaos Program Management Office (PMO) screens all supplier candidates for alignment with the requirements submitted by the Hiring Manager prior to offering a candidate to the Hiring Manager.
- Hiring Managers receive candidate information via E-mail from the ZeroChaos PMO.
- The Hiring Manager can request interviews and provide candidate feedback to the ZeroChaos PMO via phone or E-mail. Interview requests will be entered into ZC Web by the ZeroChaos PMO for tracking purposes.
- The ZeroChaos PMO schedules, coordinates and confirms candidate interviews with the Hiring Manager and the Supplier.
- The final candidate is selected by the Hiring Manager and communicated to the ZeroChaos PMO via phone or E-mail. The ZeroChaos PMO works with the original Requestor to hire the candidate through the eVA/ZC Web process.

XIII. Requisition Approval

- When the final candidate is selected, the information required for requisition approval is sent to eVA from ZC Web.
- The estimated cost for the requisition is routed through eVA for agency approval.
- The approval amount is calculated by total hours and candidate bill rate.
- The ZeroChaos PMO receives an eVA purchase order through the Ariba Supplier Network upon completion of the approval process.

XIV. Agency Background Check Requirements

[The Agency Background Check Requirements procedure only pertains to non-public safety secretariats. Public Safety Agencies are responsible for providing their own background checks.]

The requestor communicates the background check requirements via ZC Web. The choices are:

- No Background Check
- Full Background Check
 - 10 Year National County Criminal
 - Sex Offender check
 - SSN Verification
 - Education Verification
 - 5 Year Employment Verification
 - Fingerprinting
- Name Search
- Tax Record Check
- Credit Check
- Drug Screen

XV. **On-boarding Requirements**

Upon approval of the final candidate, the ZeroChaos PMO communicates on-boarding requirements to the supplier and ensures they are completed:

- Background investigation requirements
- Building and network access paperwork

Note: Agency specific policies & documents will continue to be handled by the Agency on the first day of assignment.

XVI. **Time Entry**

- Contractors submit time in ZC Web on a weekly basis for the prior week.
- The time entry deadline is 9:00 AM on Monday or the next business day during a holiday week.

XVII. **Time Approval**

- The Hiring Manager receives a ZC Web-generated E-mail notification when a timesheet is submitted for approval.
- The E-mail includes a link directly into ZC Web to log in and approve the timesheet. This is the only time a Hiring Manager logs in directly to ZC Web.
- The deadline for time approval is 5:00 PM on Monday or the next business day during a holiday week.

XVIII. **Expense Submission**

Contractors submit expenses in ZC Web within 30 days of the date the expense was incurred. All receipts must be electronically attached to the expense report in ZC Web.

XIX. **Expense Approval**

- The Hiring Manager receives a ZC Web-generated E-mail notification when an expense report is submitted for approval.
- The E-mail includes a link directly into ZC Web to log in and approve the expense report.
- Expenses should be approved in a timely manner.

XX. **Extension Request**

- All requests for assignment extensions must be created as a change order to the original purchase order in eVA.
- The request is routed for approval in eVA.
- Any change in terms must be approved.
- The ZeroChaos PMO is notified of the increase to the PO amount and this information will be captured in ZC Web.

XXI. **Off Boarding**

- Hiring Managers contact the ZeroChaos PMO if they wish to terminate or communicate the completion of a staff augmentation assignment.
- ZeroChaos PMO facilitates notification of the end of assignment to the supplier and the contractor.
- The ZeroChaos PMO conducts an exit interview with each contractor upon completion of their assignment.
- ZeroChaos collects all necessary off-boarding documentation and distributes it to the appropriate parties.

XXII. **Program Exception Process**

- Requests for exceptions to the ITCL Program must be included with the eVA requisition and have an attached justification document.
- The ITLC Program Manager submits the request with justification to the Exceptions Review Committee whose members are designated by the Office of the Secretary of Technology.
- Once a determination is made by the Exceptions Review Committee, the eVA requisition is either approved or denied.

Authority Reference(s)

§ 2.2-2010 of the *Code of Virginia*; Directs VITA to develop policies, standards and guidelines for the procurement of IT goods and services.

§2.2-2012 of the *Code of Virginia*; Directs that information technology and telecommunications goods and services of every description shall be procured by (i) VITA for its own benefit or on behalf of other state agencies and institutions or (ii) such other agencies or institutions to the extent authorized by VITA.